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IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

APPEAL No. 1405 OF 1999
IN
ARBITRATION PETITION No. 318 OF 1999
IN
AWARD No. 55 OF 1999

State of Maharashtra ... Appellant

Vs.

M/s. Someshwar Mehta ... Respondent

Mr. A. A. Kumbhkoni, Assist. Advocate General with Ms. Geeta Shastri, AGP for Appellant.

Mr. S. U. Kamdar, Sr. Advocate i/b Mr. Alankar Kirpekar, for the respondent.

CORAM : R. M. S. KHANDEPARKAR
AND
D. G. KARNIK, JJ.

DATE : JUNE 7, 2007.

PC [Per : D.G. KARNIK, J.]:-

. After having argued for considerable time, counsel for parties agreed that the following order be passed by consent.

2. The award dated 1st June 1999 passed by the learned Arbitral Tribunal is made rule of the Court, subject to the modification of the rate of interest as indicated below.

3. Taking into consideration the law laid down by the Supreme Court in **Rajasthan State Road Transport Corpn. Vs. Indag Rubber Ltd. [(2006) 7 Supreme Court Cases 700]** wherein the court exercised its discretion to reduce the rate of interes, the rate of interest allowed in the amount is reduced to 12% P.A. from of 18% P.A. Except this modification is of awarding rate of interest, the order of the learned Single Judge making the award rule of the Court is maintained.

4. The respondent is permitted to withdraw the amount deposited by the appellant in the court to the extent of principal sum awarded together with interest @ 12% P.A. Excess amount, if any, shall be refunded to the appellant with accrued interest.

[D. G. KARNIK, J.] [R.M.S. KHANDEPARKAR, J.]